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Mr. Dennis Oster, Customer Account Executive	Bonneville Power Administration, Transmission Business Line		(360) 619-6940

RE: **Questions on Proposed Methodology for Determining Available Transmission Capacity**

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**VIA FACSIMILE**

Mr. Dennis Oster  
Customer Account Executive  
Bonneville Power Administration  
Transmission Business Line  
P.O. Box 61409  
Vancouver, WA 98666-1409

**Re: Questions On Proposed Methodology For Determining Available  
Transmission Capacity**

Dear Mr. Oster:

At the request of Mr. George Marshall, Manager of Transmission Contracts, we submit on behalf of Puget Sound Energy, Inc. (PSE) the following questions on the proposed methodology under development by the Bonneville Power Administration Transmission Business Line (BPA) for the determination of Available Transmission Capacity.

- 1.) Does BPA's proposed methodology rely upon loop flow (either within the Northwest or external to the Northwest) in order to work?
  - If yes, does BPA intend to address this additional loop flow through the NWPP or WECC operations committees?
  - If no, how does BPA's proposed methodology deal with loop flow?
- 2.) When will the "full case vs. cut case" methodology question (which has a large impact on how loop flow impacts are shown) be decided?
- 3.) Non-Scheduled paths with multiple ownerships (or with multiple rights to use transmission capability, such as PSE's pre-OATT capacity rights under certain Puget Sound area contracts in the following areas: (i) between Sedro Woolley and Monroe/Snohomish/Beverly Park Substations, (ii) between Monroe/Snohomish/Beverly Park Substations

[07772-4320/BA032610.001]

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and Maple Valley/Talbot Hill Substations and (iii) between Maple Valley/Talbot Hill Substations and White River Substation), do not seem to be adequately addressed on several levels. Please clearly describe how BPA will deal with this situation and describe how BPA will avoid infringing on the rights of parallel systems or those with rights to use BPA facilities (or will compensate if such rights are infringed upon).

- 4.) How does BPA propose to ensure it will honor firm and non-firm transactions on parallel systems and on BPA's system under facilities use, capacity rights or pre-OATT transmission contracts?
- 5.) If, due to increased flows, additional generation dropping becomes required for internal outages on parallel systems, does BPA propose that this be compensated? If so, how?
- 6.) If a new generator located outside of the NW changes the flows on the flowgates and cuts are made, does BPA propose that those cuts be allocated? If so, how?
- 7.) Is BPA making assumptions regarding generation levels on interconnected systems? If so, (a) what are those assumptions and (b) is BPA making the same assumptions for all seasons, and if so, why?
- 8.) How will BPA make cuts consistent with its contractual obligations if new generation is added that utilizes previously unused capacity on (i) a parallel system, (ii) BPA's system under facility use or capacity rights type agreements, or (iii) BPA's system under long-term BPA transmission contracts, such as IR contracts?
- 9.) Will the loads on parallel systems be adjusted so as to protect that system's capability? If not, why not?
- 10.) What is the modeling of the generation and load on parallel systems in the present cases? 90% of historical, or some other value set by BPA planning? Why were such generation and loads assumed by BPA?

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- 11.) If all paths are fully utilized and capacity on one of the paths is reduced due to an outage, how does BPA propose the cuts be allocated?
- 12.) If a particular generator is "best of class" to clear congestion, does BPA propose that generator be compensated? If not, why not? If so, why?
- 13.) How is the Total Transfer Capability (TTC) of each path addressed by BPA's proposed procedure determined? Are all such determinations available for review? Please provide the TTC for all such paths and describe how it was determined. How will the TTCs that are used in BPA's procedure be determined in the future?
- 14.) How is the Transmission Reliability Margin (TRM) of each path addressed by BPA's proposed procedure determined? Are all such determinations available for review? Please provide the TRM for all such paths and describe how it was determined. How will the TRMs that are used in BPA's procedure be determined in the future?
- 15.) How will BPA ensure that its procedure does not conflict with the rights of pre-OATT BPA transmission contract holders? Will the entire contract demand of BPA firm transmission contracts (such as PTP, IR, etc.) be reflected in determining Available Transfer Capacity (ATC) availability? If not, why not?
- 16.) Is BPA's proposed procedure for determining ATC consistent with Attachment C of BPA's OATT, which is supposed to describe how BPA determines ATC? If so, how?


PSE specifically reserves all rights and objections without waiver of its right to object later. By asking these questions and otherwise participating in BPA's contract lock proceeding, PSE waives no rights or remedies, contractual or otherwise.

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Thank you for providing this opportunity to submit questions on the proposed methodology.

Very truly yours,

  
Jason Kuzma

JK:jk

cc: George Marshall, PSE  
Doug Faulkner, PSE  
Chris Reese, PSE